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CONFIDENTIAL KUWAIT 002543

SIPDIS

E.O. 12958: DECL: 06/10/2013

TAGS: PREL KU IZ UN SUBJECT: (C) KUWAIT SEEKS US SUPPORT AGAINST NEW PROPOSAL ON COMPENSATION PAYMENTS

Classified By: Ambassador Richard H. Jones, reasons 1.5 b and d.

- 11. (C) At a luncheon in honor of visiting US Ambassador to Jordan Edward Gnehm on June 7, Kuwaiti UN Permanent Representative Ambassador Mohamed Abulhassan buttonholed Ambassador Jones regarding recent developments in the UN Compensation Commission in Geneva. According to Abulhassan, French and German representatives on the Commission were pushing for a change in procedure to require that any compensation payments exceeding USD 25,000 be referred to the UNSC in New York for approval. Abulhassan said that Kuwait strongly opposed this thinly veiled attempt to tie the whole compensation process in knots. The UNSC had already given the Commission the authority to make all compensation payments. That was its job; it made no logical sense for the Commission to seek to return that authority to the UNSC. He urged the U.S. to support Kuwait in opposing the proposal. The Ambassador agreed to relay this information and request to Washington and UNSC posts.
- 12. (C) Comment: After the fate of its Gulf War missing, the payment of Kuwait's many large private compensation claims is probably the second most important international issue here at this time. Moreover, the GOK is still smarting from UNSC Resolution 1483's sharp reduction in the share of Iraqi oil revenues going to the UN compensation fund as well as from its delegation of decision authority for continuation of compensation payments to the UNCC in Geneva. If Abulhassan's information is correct, this Franco/German proposed change in procedure would all but freeze major compensation payments. With GOK morale at a low in the wake of the cancellation of last week's proposed POTUS visit, adoption of this change would be a very bitter pill indeed for Kuwait to swallow. We strongly recommend that the US support the Kuwaitis on this issue. Please advise.
- 13. (U) Baghdad minimize considered. JONES